

Trading Update

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St. Modwen Properties PLC

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ST. MODWEN PROPERTIES PLC
("St. Modwen" or the "Company")

TRADING UPDATE

YEAR OF OUTPERFORMANCE UNDERPINNED BY REGIONAL MARKET RECOVERY

St. Modwen Properties PLC (LSE: SMP), the UK's leading regeneration specialist, today provides a trading update for the financial year ended 30th November 2014.

Initial indications suggest that our full year results will reflect an uplift in property valuations, arising from both market driven movements in an improving regional market and our own value add development and asset management activities, which will exceed management expectations. Profit before all tax is therefore likely to be at the top end of market expectations.

We continue to be successful in securing planning permissions for our commercial and residential sites. This was most notably demonstrated by a resolution to grant planning from the London Borough of Wandsworth for the redevelopment of New Covent Garden Market in Nine Elms, London received in November 2014. We are now working towards concluding the Section 106 Agreement with the target of achieving unconditional planning status in the first half of 2015.

Activity across our commercial portfolio has accelerated this year as the regional market has continued to recover. We have a significant number of development projects now under construction across the UK, including over 1 million sq ft at Swansea University's Bay Campus and the 150,000 sq ft Marks & Spencer store at Longbridge, Birmingham.

Occupational demand continues to gather pace. This is clearly manifested by the performance of our well let income producing portfolio which is providing a strong revenue stream to underpin the running costs of the business.

The residential market has continued to perform well and overall profits from residential development remain in line with expectations set out at the half year. Demand for residential land is good and we continue to secure disposals above book value in London, across the South East and in the regions.

Having substantially restructured our debt portfolio at the half year and with positive net cash generation in the second half of the year, we remain in a strong position financially, approaching £200m of undrawn facilities in place.

Bill Oliver, Chief Executive of St. Modwen, commented:

"Our commitment to the UK regions is paying off, with good returns already being achieved as we continue to grow our active development portfolio with new commercial and residential opportunities, underpinned by the upturn in the regional property market.

"This, combined with our successes in the residential market and in London and the South East, leads us to anticipate record profits for St. Modwen for the 2014 financial year."

-ENDS-

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